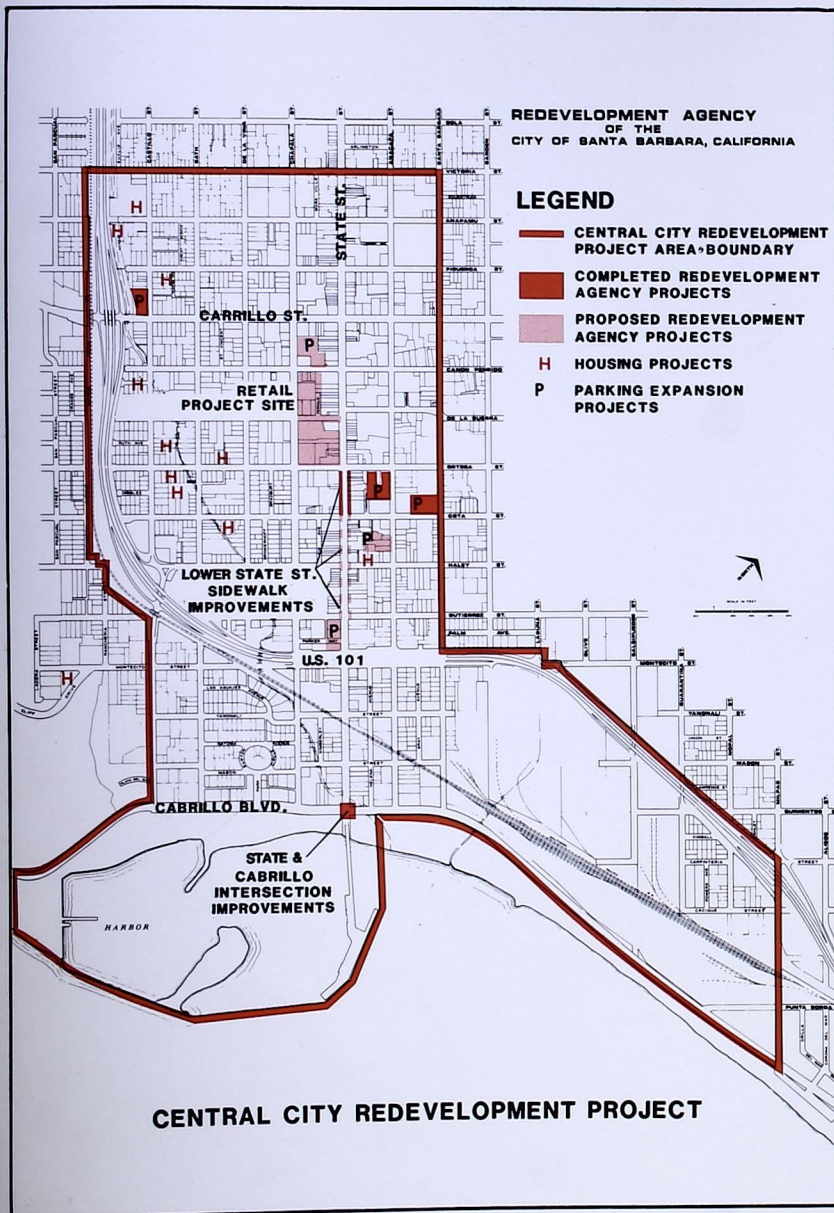


SANTA BARBARA
Redevelopment
Update!

Santa Barbara Redevelopment Agency
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Executive Director:
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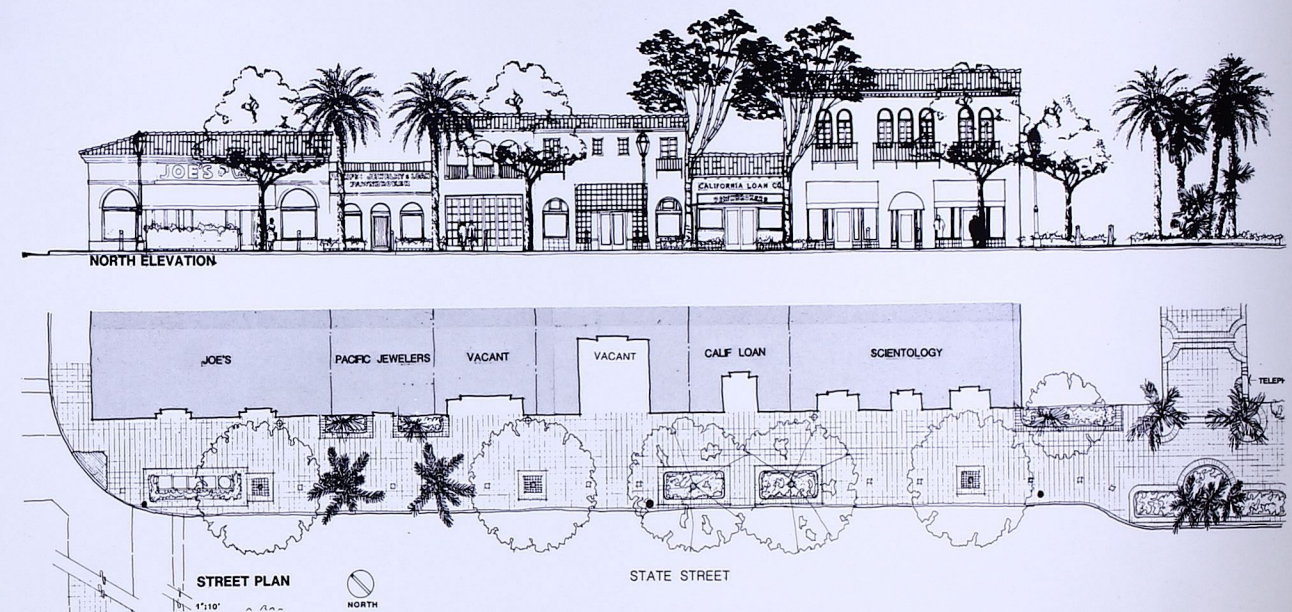
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Printing: Schauer Printing
Contributions by John Bradley, Don Olson, and Terry Leahy, Redevelopment Agency Staff

SANTA BARBARA
Redevelopment
Update!
SPRING/SUMMER 1986

Designs for Lower State Street Revitalization Completed



Widened sidewalks made of terra cotta tiles and large skyline trees will grace the 400 and 500 blocks of State Street once the Redevelopment Agency's plans for the area have been completed. The view above shows one portion of those plans as designed by Designworks Architects.

Conceptual designs for the Redevelopment Agency's proposed new parking lots and the sidewalk improvements in the Lower State Street area have received favorable comments from the City's design review committees. The favorable review by the City's Landmarks Committee and Architectural Review Board means that the basic "look" for the Lower State Street improvements has been determined. A consensus on the designs was developed after spirited discussions among various interested parties, including the two design review committees, the Redevelopment Agency staff and the Old Town Merchants Association about

just how to improve upon the current State Street sidewalk improvements.

As finally agreed upon the Lower State Street sidewalk improvements will have a different, slightly more formal arrangement of the landscaping when compared to the existing sidewalk improvements in the downtown. Fewer large raised planter boxes out at the street curb and placement of the street trees in a more symmetrical, straight-lined alignment will be the most noticeable differences between the new improvements in the 400 and 500 blocks than the existing improvements in the 600 to 1200 blocks of State Street.

Continued next page

The City's design review committees felt strongly that the new approach would be more consistent with the urban character of the downtown. Many merchants in this area, known as Old Town, felt that the new designs would enhance the visibility of their storefronts for passing motorists and pedestrians.

In addition to the enhanced landscaping, the new plaza improvements in Lower State Street will also include decorative terra cotta tiles and several fountains. Mail boxes and newspaper racks will be decoratively treated as well.

The designs for two new parking lots planned for the 500 and 300 blocks have also received favorable comments from the Landmarks Committee and the Architectural Board of Review. The new lots will include attractive kiosks and decorative landscaping.

Pedestrian walkways or "paseos" will connect the parking lots to State Street and neighboring side streets.

Both the parking lots and the sidewalk improvements should greatly enhance the appearance of the Old Town area and encourage additional private investments in the area. It is anticipated that construction of the 500 block parking lot phase of the project would begin as soon as this fall. The State Street sidewalk improvements, the next phase, would then be scheduled to begin construction in the spring of next year. The final phase, the 300 block parking lot because of its proximity to the freeway, would not be constructed until Caltrans has completed the crosstown freeway. It is anticipated that a temporary lot would be constructed once Caltrans has begun construction. ■

The Retail Project – Current Status



A palm-lined, open-air amphitheatre is planned for the heart of the Reininga Corporation's downtown retail proposal. The photograph above shows a portion of the large scale model of the proposed center. The model will be located in the Reininga Corporation's new local public information office at 11 W. De La Guerra Street.

Since the selection of a proposal by the Reininga Corporation as the preferred plan for a downtown retail center last November, work has been underway on a number of important tasks that must be accomplished before a final decision on the project by the Redevelopment Agency/City Council can be made.

The two most important tasks that must be completed are (1) the evaluation of the potential environmental effects of the proposed project, and (2) the negotiation of a detailed agreement between the developer and the Agency to clarify the specific responsibilities of each in bringing the project about. The first task is well underway, as described in a separate article in this edition of **Redevelopment Update**.

The second task, the negotiation of the agreement between the developer and the City, is progressing on schedule as well. The final outcome of this agreement, commonly referred to as a Disposition and Development Agreement or DDA, will help to determine the final budget for the project. Among the things that will be decided by the DDA are precisely how the Redevelopment Agency will assist in providing off-site parking for the project and in elsewhere in the downtown, how the land for the project will be assembled (i.e. through negotiated purchase/exchange by the Reininga Corporation or negotiated purchase/exchange by the Redevelopment Agency), and more specifically what form the various arts facilities will take. The Agency staff has been working closely with the City's Parking District staff to restructure the Parking District because of the need to coordinate the financing from both sources.

Also to be decided as a part of this process is which two department stores will be in the development. Based on preliminary market data, it appears that mid-to-high line department stores would do best in the downtown area. A number of department stores which are still being considered include Bullocks, Broadway, May Company, Nordstrom, and an expanded Penneys.

The negotiation of the DDA is expected to be completed at about the same time the Environmental Impact Report is finished, at the end of October. A final decision by the Redevelopment Agency/City Council is currently planned for sometime in December. No property acquisition or business relocation will be initiated until the project has been finally approved. ■

Status of the Agency's Activities to Assist Affordable Housing

During the past six months, seven affordable housing projects that were assisted with approximately \$3.5 million in financing from the Redevelopment Agency were completed and occupied by low and moderate income households. Two of the projects are located in the CCRP in the West Downtown neighborhood and the rest are located in residential neighborhoods throughout the City. Five of the projects with twelve units are for seniors.

The Agency is also assisting another five projects involving a total of 43 units that are currently under construction and four projects involving 115 units are on the drawing boards and are scheduled to go to construction in the coming months. The Agency has provided approximately \$1.7 million in financing for the projects under construction and anticipates providing approximately \$5.25 million for the projects in planning.



This new six unit affordable apartment for seniors was developed by Keith and Murl Bruington with financial assistance from the Redevelopment Agency.

The units under construction will be available for occupancy during the next few months and the units in planning should be completed during the next year. All but three of the projects under construction and in planning are being developed as senior housing. Two of the projects involving 35 units are located in the CCRP and the rest are located throughout the City.

The Redevelopment Agency has become a major force in the housing construction market. Agency-assisted housing projects represent approximately 25-30% of all housing (single-family, duplex, condominium, multifamily rental) recently built or currently under construction. Agency-assisted projects account for an even greater share of all new condominium or multi-family rental construction. Approximately 35-40% of the housing in these categories are affordable units which received financial assistance from the Agency.

All of this activity by the Agency is part of the City's on-going affordable housing assistance program which provides various land-use incentives and one or more forms of subsidized financing to developers to produce affordable rental and ownership opportunities for low and moderate income households. These affordable units help to expand the City's housing stock and will be available to all local employees including potential future employees from Agency-proposed projects like the downtown retail center. In addition to providing financing, on occasion the Agency has acquired and landbanked vacant land and then provided this land for development of housing projects. Whenever possible the Agency has worked with developers to improve and develop sites located within the CCRP and such projects are a priority for financing from the Agency.

Over the past 15 years the City and Redevelopment Agency have provided over \$14.1 million in grants and loans for 75 affordable housing projects involving 1,016 units. This represents approximately 3% of the City's housing stock.

For more details on the Agency's current specific activities, please refer to the City's Annual Housing Activity Report, available in the City Clerk's office or by calling 963-1663 ext. 38. ■

AGENCY SUPPORTS PRESERVATION (Continued from page 3)

federal programs are discontinued, as the current administration has proposed, then the HRLP will become more dependent upon the Agency as a major source of its mortgage capital. The source providing most (18%) of the remaining mortgage capital has been the Redevelopment Agency. The State has provided approximately 2.5% of the mortgage capital originated through the Program.

As for the projects financed by the Agency, the great majority have been multifamily rental projects located in the West Downtown and Lower Westside neighborhoods. The Agency has also financed the rehabilitation of existing units in three condominium projects developed by the non-profit self-help group, Homes For People. As of the end of fiscal year 85-86, the Agency has provided \$1,313,000 in rehabilitation loans. ■

Environmental Analysis of Downtown Retail Project Begins

Work has begun on the environmental evaluation of the Agency's proposal to bring two new department stores and ancillary small shops to the downtown. The environmental consulting firm Westec Services, Inc. from Ventura has been selected by the City's Environmental Review Committee to prepare a full Environmental Impact Report (EIR) on the project.

The EIR will determine if the Agency's downtown retail proposal will have any significant negative impacts on local traffic, parking, or air quality resources. In addition, the report by Westec Services will study whether or not the project could adversely affect local cultural resources, noise, growth inducement or energy conservation. The issues that will be

studied were selected by the City's environmental committee after considerable public input. If any significant environmental impacts are identified then ways to mitigate those impacts will be suggested.

It is anticipated that a draft report summarizing the consultant's initial findings will be available for public review and comment by mid August. Interested parties will have 30 days to review the document. At the end of this review period two public hearings before the Environmental Review Committee will be held to take oral comments on the report. The consultant will then respond to the public comments received and return with a final report toward the end of October or the beginning of November. ■

Agency Supports Preservation of Existing Housing

The City's Housing Rehabilitation Loan Program (HRLP) is in its 10th year of operation. Over that time the HRLP has provided over \$7.2 million in subsidized financing for the rehabilitation of 411 housing units. While this represents only 1.2% of the City's total housing stock, the rehabed units represent a substantial portion (10%) of the City's older housing stock and units in need of rehabilitation located in central city neighborhoods. The program goals are to:

- Preserve the City's existing housing stock by providing below market rate financing to owners of units in need of rehabilitation;
- Assist low income households (owner-occupants and renters, with special provisions for elderly and handicapped); and
- Impact neighborhoods which have large numbers of housing units in need of rehabilitation.

Of the units that have been financed and rehabed through the HRLP, 65% have been owner-occupied and 35% renter-occupied. Most of the owner-occupants have been seniors with low and fixed incomes or low-income working families struggling with the high cost of homeownership in Santa Barbara.

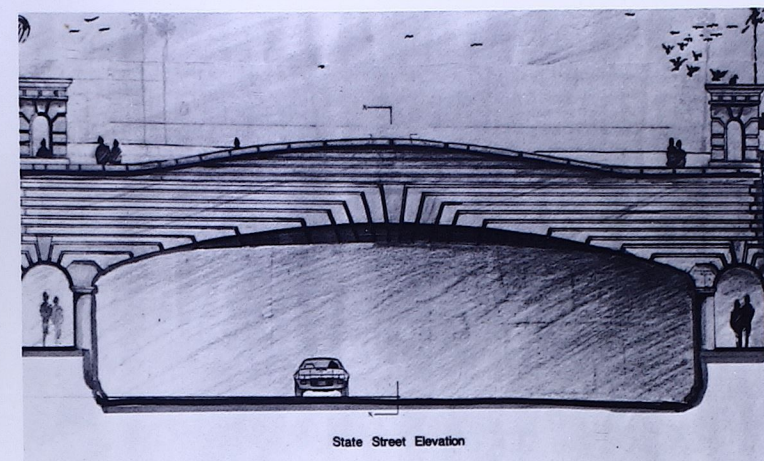
The apartment owners who have participated in the HRLP have typically been small "mom and pop" operations or owners of larger multifamily projects where rents have been kept below market, the units are in need of substantial rehab, and the owner wants to avoid the displacement of existing tenants which would most likely have occurred had they borrowed from an institutional lender at market rates.

Historically, the primary source of mortgage capital for the HRLP has been the federal government. Seventy-nine percent of the loan funds originated through the Program have been provided from the Community Development Block Grant and the HUD 312 Rehabilitation Loan Programs. If both of these

(Continued on page 5)



Rehabilitation work in-progress on this home on Kowalski Ave.



State Street will drop down to pass under the new crosstown freeway once the project by the State has been completed. The photo above shows the view looking down State Street with the freeway bridge above. Drawing by local architect Henry Lenny.

Caltrans: Crosstown Freeway on Schedule

The crosstown freeway is being funded and developed by the State and is not a project sponsored by the Redevelopment Agency. However, given the magnitude of this project, its location in the heart of the downtown redevelopment area and degree of general interest in the project it was felt that a status report in Redevelopment Update would be appreciated. The Agency is working with the State to insure there is a coordination between the State's efforts and the Agency's Lower State Street Revitalization Program.

A common question asked by downtown business and property owners as well as the general public is, "Is the crosstown freeway really going to be developed?" Well, the answer is a definite, "Yes".

The question comes about most likely because of the years of discussions about the plans to remove the traffic signals on U.S. Highway 101 in the downtown area and the lack of visible results have made local Santa Barbarans skeptical. Well, after years of negotiations about various designs for the freeway and the on-again, off-again funding history the crosstown freeway plan is finally moving ahead.

Freeway Design: The approved plan entails keeping the freeway essentially at its present grade level while dropping two streets, State and Garden, under the freeway to allow traffic circulation between the waterfront and downtown. The other streets that currently cross the highway: Santa Barbara, Anacapa, and Cha-

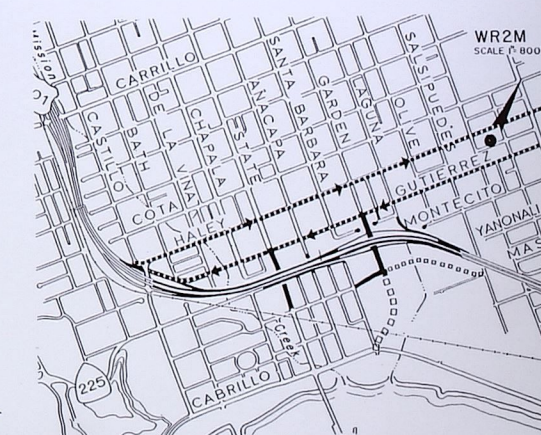
pala, will dead end at the new freeway. Motorists on the crosstown freeway will be able to exit at a new full interchange at Garden Street.

Current Work: The State Department of Transportation, more commonly known as Caltrans, is hard at work on a number of tasks that must be completed before construction can begin on the new freeway. Currently, Caltrans is negotiating the purchase of properties needed for the freeway project. These properties are along either side of the current freeway right-of-way. Offers to purchase have been made on all needed properties, and over one-third have been accepted at this time.

Other tasks that need to be accomplished before construction can begin are: the relocation of any businesses that occupy the land being acquired, relocation of utilities such as gas, sewer, and telephone lines, and the clearance of the right-of-way area.

The Construction Process: Caltrans is hoping to complete the pre-construction steps during the next year or so and begin the three-year construction project in the summer of 1987. The construction period is a long one to allow for a careful phasing of the project to keep traffic flowing. The first step will be the construction of the State Street underpass. Traffic will be rerouted from State to the other streets that currently cross the highway. Once both the Garden and State Street underpasses have been completed the widening of the freeway to three lanes in both directions will begin. This will be done one side at a time to again allow the rerouting of traffic. Two lanes of traffic will continue to move in both directions throughout the construction project.

If all moves ahead as planned, the 50 million dollar project should be completed by the end of 1990. ■



CROSSTOWN FREEWAY PLAN

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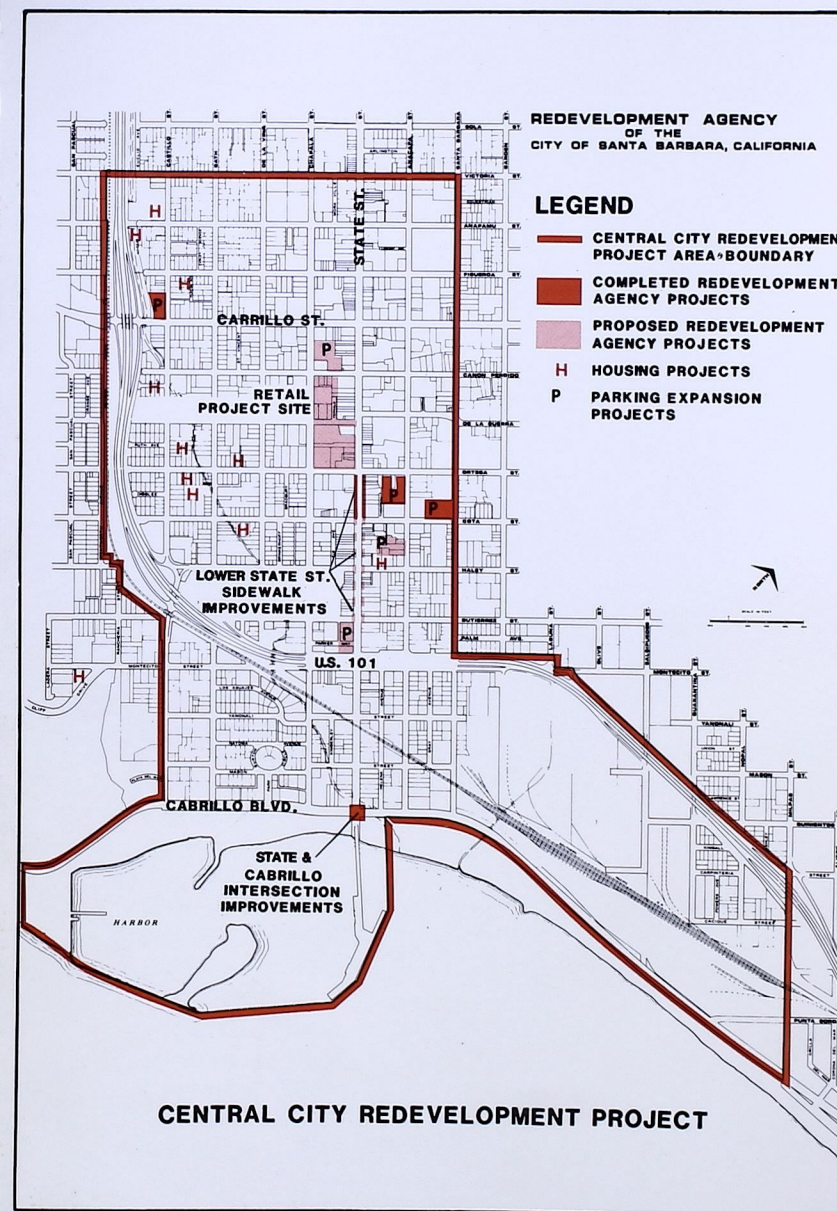
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CENTRAL CITY REDEVELOPMENT PROJECT

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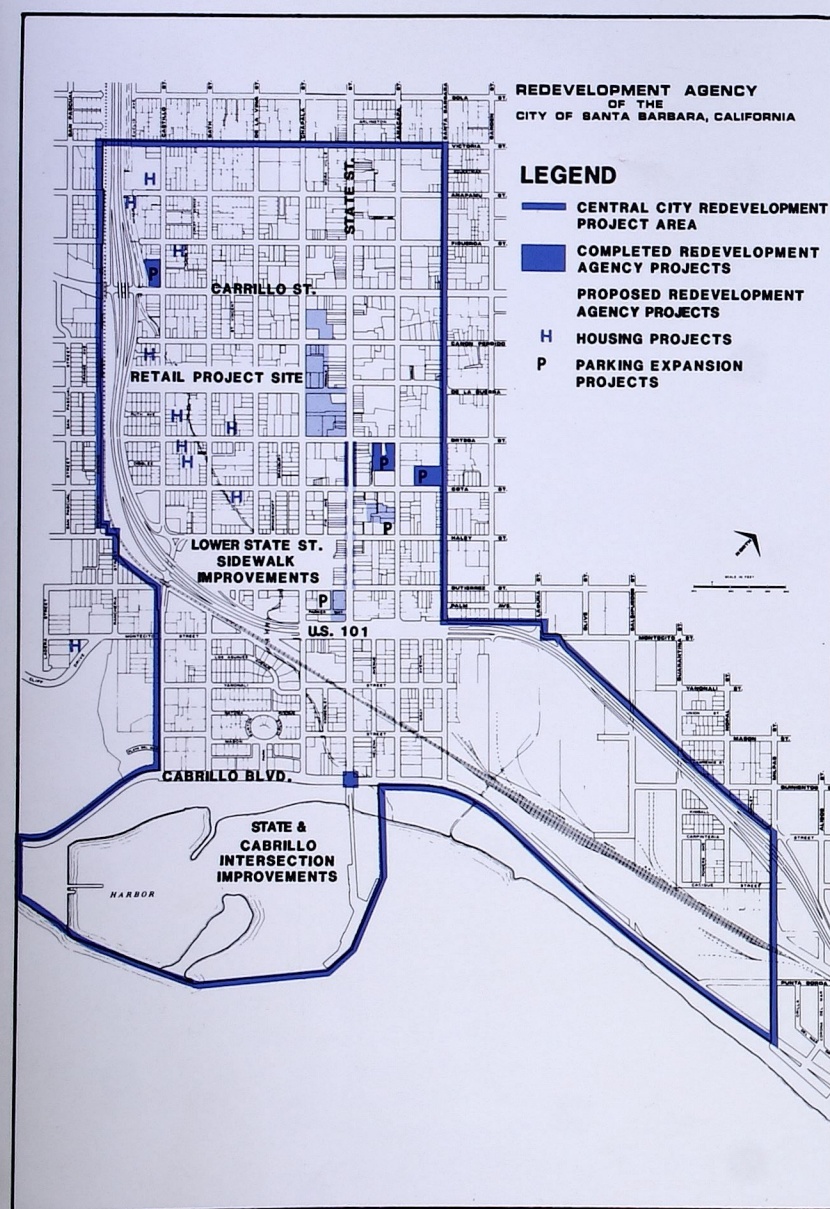
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SANTA BARBARA Redevelopment Update! 1986 WINTER ISSUE

Reininga Proposal Chosen for Downtown Retail Project



An artist's sketch of one of the new open air paseos in the Reininga plan.

A development proposal by the Reininga Corporation has been selected by the Redevelopment Agency as the best concept for a downtown retail project after an exhaustive, competitive screening process. The Reininga proposal was chosen unanimously over those submitted by two other developers at a well attended Redevelopment Agency meeting on November 26, 1985. The decision culminated a ten month public evaluation process which narrowed proposals down from ten to three, and finally one preferred proposal.

The Reininga Corporation, a firm from San Francisco, submitted a concept that many described as being very much within the character and scale of existing downtown Santa Barbara. The proposal includes two department stores and smaller retail shops and restaurants located on part of two blocks along State Street at De la Guerra. Open air paseos would meander through the project and tie it into State Street and existing paseo systems.

Amenities Included

A cultural arts complex will be provided in a second story element of the project. It will contain interior space for an exhibition gallery, a small performing theater, as well as artist studio/residence lofts.

A portion of De la Guerra Street, running from State to Chapala, will be closed to automobiles and become an attractive open pedestrian plaza. A semi-circular amphitheater surrounded by graceful palms is contained within the heart of the project. Fountains and open courtyards will be discovered by shoppers as they stroll past small shops along the new paseo.

The department store operators have not been chosen; however, it is anticipated that the two stores will be selected from the likes of a Broadway, May Company, Nordstrom or Bullocks. The department store tenants will be chosen by both the developer and the Redevelopment Agency.

continued next page

Features:

- Lower State Street Plans **Page 3**
- New Affordable Housing Projects **Pages 4,5**
- About Redevelopment **Page 5**

Agency Encourages Development of Affordable Rental Units

The Redevelopment Agency has long been in the forefront in assisting the development of new affordable housing in Santa Barbara. The Agency's affordable housing program assists in the development of housing for all sectors of our community, including renters, senior citizens, and first-time home buyers.

Federal Funding Cuts: Traditionally, to provide new affordable housing for renters, the Agency has worked with the local Housing Authority to pool local Agency funds with funds from the federal government. In recent years, as federal funds for housing programs have been cut back,

Santa Barbara, like most local governments, has been struggling with ways to try to at least partially make up the loss. In December, 1983 the Redevelopment Agency initiated an innovative program to do just that.

Local Program Established: The program established by the Agency is called the Multifamily Rental Housing Financing Program. This new program encourages local developers to construct affordable rental housing by offering them low interest construction and permanent financing. In exchange for the favorable loan terms, developers are required to rent the units at rates affordable to low and moderate income households for a period of 10 years. Twenty percent of the units must specifically be rented to low-income households through the Section 8 Program administered by the Housing Authority.

Success of Program: A total of \$10 million has been made available to local developers through this new program. Santa Barbara Bank & Trust acts as trustee and originates and services the loans. Over \$4 million of the original \$10 million set aside has been utilized to finance nine projects. Three of the nine projects have been completed and are occupied, and the other six are under construction. These nine projects will provide a total of 91 new affordable rental units, 43 of these units will be constructed for exclusive rental to low and moderate income seniors.

In addition to these approved projects, there are another five projects, involving 156 rental units, that have loan applications pending. ■



This six unit affordable housing project for senior citizens was built by a private developer with the assistance of the Agency's Multifamily Rental Housing Financing Program.

About Redevelopment . . .

Redevelopment Agencies are separate local political bodies that are formed by local governments to upgrade and revitalize specific areas of a community. These separate agencies are given certain powers under California law.

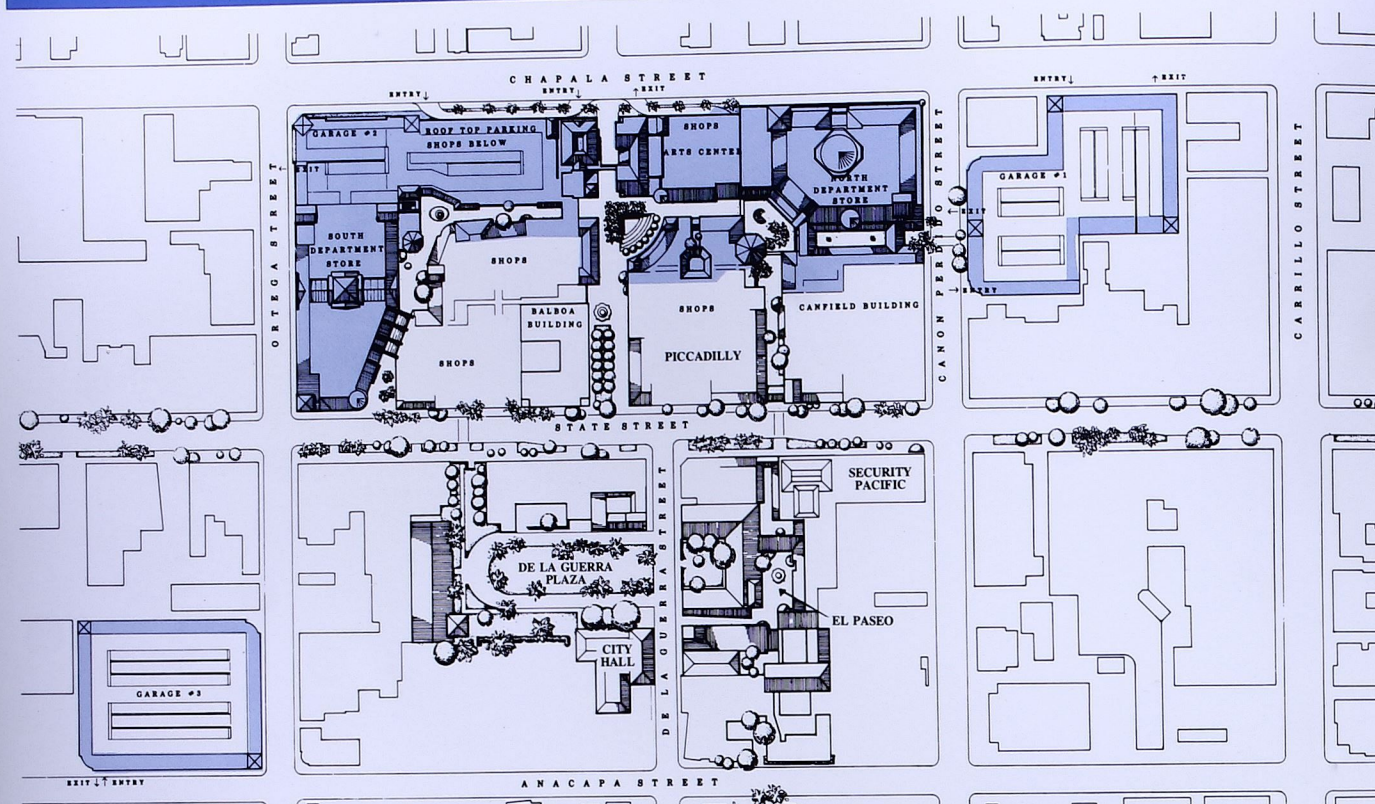
State law enables redevelopment agencies to focus tax moneys that would normally be distributed more broadly (i.e. to various State and local agencies) on specific local problem areas. Thus, redevelopment agencies have been a popular tool for cities who wish to revitalize blighted areas without raising taxes.

Redevelopment in Santa Barbara:

Santa Barbara's Redevelopment Agency was formed in 1968. Its first project was the develop-

ment of affordable housing in a neighborhood to the east of the downtown called Presidio Springs. A total of 230 affordable housing units were developed in this area with the assistance of the Agency. This project has been completed.

In 1972, the Redevelopment Agency started concentrating on downtown issues. The Central City Redevelopment Project area was formally established in that year. Since that time the Agency has been focusing its efforts on maintaining and enhancing the retail vitality of the downtown, particularly the Lower State Street area. In addition, in recent years the Agency has made a strong commitment to affordable housing and mitigating downtown traffic and parking problems. ■



The Reininga proposal is shown in the shaded areas above. The project was carefully designed to tie into State Street with open walkways. New parking structures will be constructed on site and on to existing surface lots.

Parking is to be provided on the site and in two new parking structures off-site. The structures will be carefully designed to conform with the City's high architectural standards. Parking for approximately 1,760 cars will be provided in the three locations.

Community Benefits

The new retail project is an important element in the Agency's efforts to revitalize and enhance the Santa Barbara downtown. The new department stores will assure shoppers will be attracted to the downtown. The project has been designed to encourage shoppers to flow along State Street to patronize existing stores and restaurants throughout the downtown. The location between Lower State Street and the downtown was carefully chosen by the Agency based upon public input to assure that both areas would benefit.

The new department stores will add needed shopping opportunities for local residents, many of whom shop outside of the Santa Barbara area. By encouraging local residents to shop locally, the project will provide the City with much needed sales tax. Sales tax is one of the most important sources

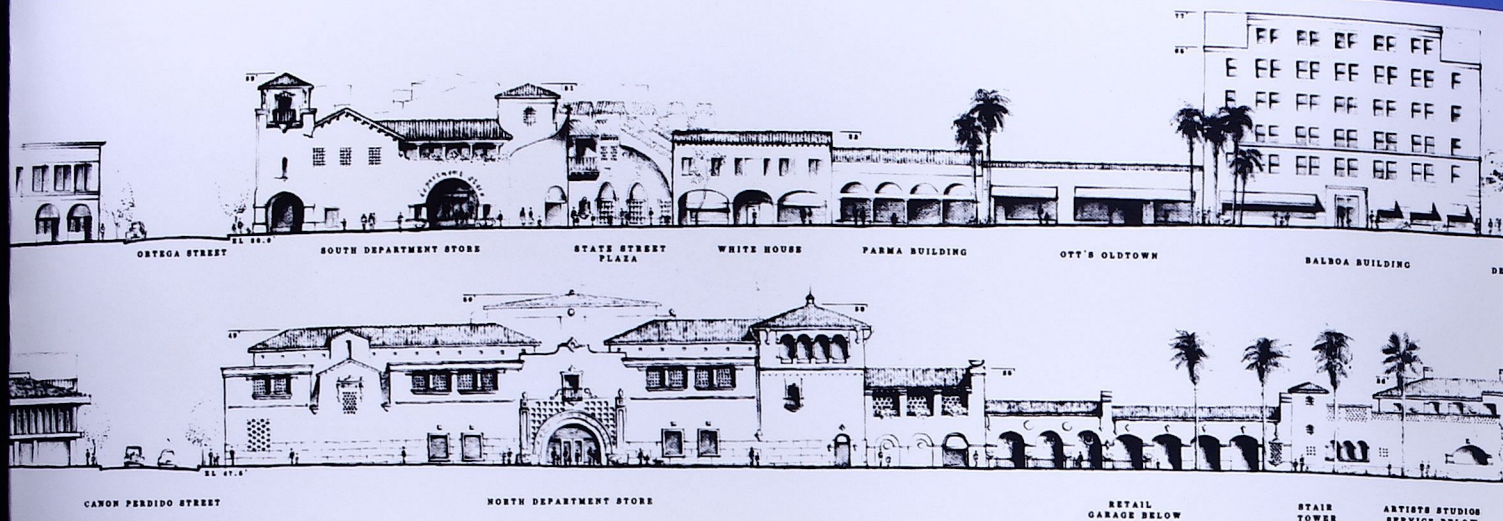
of revenue for City services, such as police and fire protection, parks, libraries, planning, and public works (such as street lighting and repair).

Additional Public Review

Now that the Redevelopment Agency has selected the Reininga concept as the best of the competitive proposals, the project is entering an important phase of environmental and planning review. This phase of the process will provide information on how the traffic and other environmental issues will be addressed. This process is expected to take approximately 10-12 months, and will include numerous opportunities for public participation.

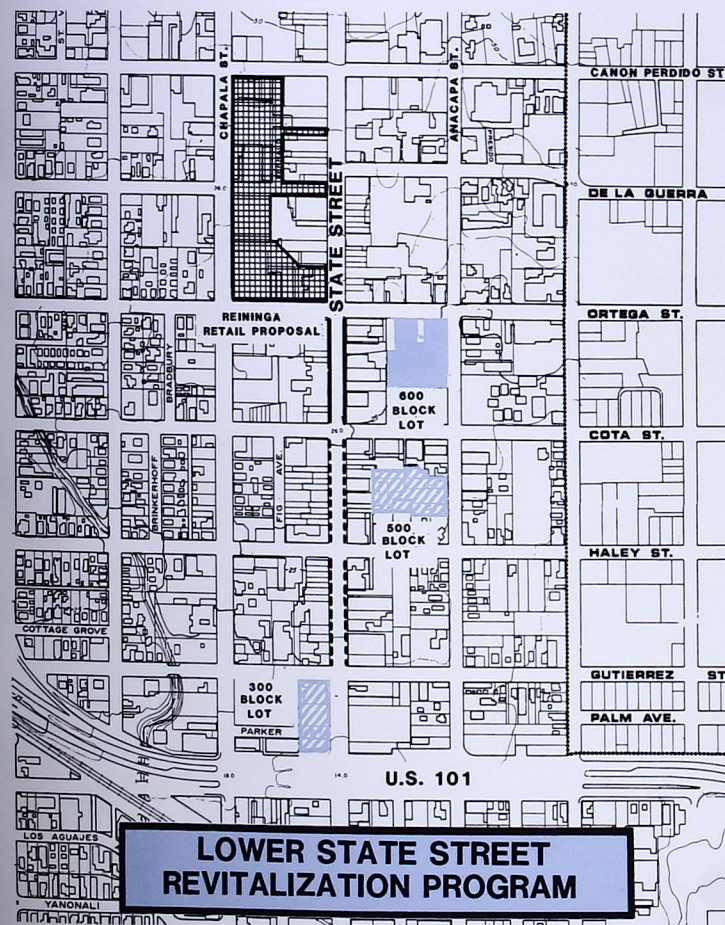
After environmental and planning review has been completed there will be public hearings at which a final decision will be made on whether or not to proceed with the project. If approved, the stores would be ready to open in the fall of 1989. ■





The drawings above show the two new department stores. They will be designed to conform with local architectural styles. The top view is of the 700 block of State Street. The bottom view is the 800 block of Chapala Street.

Final Design for Lower State Street Revitalization Underway



In the near future, much of Santa Barbara's Old Town area will have a new look. That "look" is being developed now with the assistance of the Agency's recently hired design consultants. The consulting team consists of Martin, Northart and Spencer Associates, Inc. as engineers and Designworks as architectural designers.

These consultants are currently drafting the final designs for new parking lots in the 500 and 300 blocks of State Street, and widened, newly landscaped sidewalks in the 500, 400, and 300 blocks. Plans for attractive new paseos or pedestrian walkways to connect the parking lots to State Street are also being prepared.

The new plans are a continuation of the Agency's efforts to revitalize Lower State Street. The Agency has already completed a parking lot and sidewalk widening in the 600 block of State Street.

Construction of a new parking lot in the 500 block is an important next phase of this program. Most of the property needed to construct the new lot has been assembled and some preliminary site preparation has begun. Construction of the new parking lot is scheduled to begin this summer. The sidewalk improvements would occur after the new parking has been provided. ■

New Affordable Housing for West Downtown



The recently completed cottage style affordable housing units in the 600 block of Castillo and Bath Streets.

The sounds of children laughing and the scurried activities of parents can be heard emanating from a recently completed affordable housing project in the West Downtown neighborhood of the City. These are the sounds of families settling into the new seventeen unit rental housing development located in the 600 blocks of Castillo and Bath Streets.

Under the City Housing Authority's ownership and management the new two-bedroom units are being rented to low-income families, a majority of whom earn less than \$17,000 per year. Many of the households are single parent families. One of the units is handicapped accessible.

The two story, cottage style townhouses were designed by Fred Noel and Jerry Bailey. Each unit includes private patios, and attractively landscaped lawn areas surround the development.

The project was developed by the Housing Authority with funds from the Redevelopment Agency, the City and the federal government. The Agency's share amounted to \$335,000 and these funds went toward site acquisition and improvement costs. The Agency's contribution is a worthy investment given that these units will be added to the City's stock of permanently affordable low-income family housing. ■

La Colina Affordable Housing Development

Young first-time homebuyers have moved into La Colina Village, a fifty unit affordable family housing development made possible by the financial assistance of the Redevelopment Agency.

The purchasers of the condominiums were moderate income City residents selected by lottery. All were first time homebuyers who would not otherwise have been able to purchase a home. They paid \$88,000 for a two bedroom townhouse and \$100,000 for a three bedroom townhouse, with down payments as low as ten percent. The resale price will be controlled by the City for thirty years so the units remain affordable.

La Colina Village is located on Via Diego at La Colina Road, near Bishop High School. The design by Dennis Thompson, A.I.A., and Bob Easton Design Associates suggests a New England village. Each unit has private yard space, and the common grounds include an oak grove picnic area and a tot-lot. The development was sponsored by the Santa Barbara Community Housing Corporation (CHC); Michael Towbes Development was the general contractor.

Across the road on a neighboring parcel construction is nearing completion on twenty-four units of family rental housing. Sponsored by the City Housing Authority, these units will be rented to low and very-low income families who will pay no more than 30% of their income for rent. Completion is scheduled for this spring.

The Redevelopment Agency set the stage for both of these developments by purchasing the 8.6 acre site and landbanking it. The Agency installed public improvements, split the lot into the two parcels, and wrote down the sales price of both parcels. The Agency also made a loan to CHC for its predevelopment expenses. This loan was rolled over into deferred payment loans to the individual buyers of the La Colina Village units.

Through repayment of these loans and the sale of the land the Agency will recoup much of its investment in these affordable housing developments. The City also assisted by installing a storm drain and sewer line with Community Development Block Grant funds. ■

Agency Encourages Development of Affordable Rental Units

The Redevelopment Agency has long been in the forefront in assisting the development of new affordable housing in Santa Barbara. The Agency's affordable housing program assists in the development of housing for all sectors of our community, including renters, senior citizens, and first-time home buyers.

Federal Funding Cuts: Traditionally, to provide new affordable housing for renters, the Agency has worked with the local Housing Authority to pool local Agency funds with funds from the federal government. In recent years, as federal funds for housing programs have been cut back,



This six unit affordable housing project for senior citizens was built by a private developer with the assistance of the Agency's Multifamily Rental Housing Financing Program.

Santa Barbara, like most local governments, has been struggling with ways to try to at least partially make up the loss. In December, 1983 the Redevelopment Agency initiated an innovative program to do just that.

Local Program Established: The program established by the Agency is called the Multifamily Rental Housing Financing Program. This new program encourages local developers to construct affordable rental housing by offering them low interest construction and permanent financing. In exchange for the favorable loan terms, developers are required to rent the units at rates affordable to low and moderate income households for a period of 10 years. Twenty percent of the units must specifically be rented to low-income households through the Section 8 Program administered by the Housing Authority.

Success of Program: A total of \$10 million has been made available to local developers through this new program. Santa Barbara Bank & Trust acts as trustee and originates and services the loans. Over \$4 million of the original \$10 million set aside has been utilized to finance nine projects. Three of the nine projects have been completed and are occupied, and the other six are under construction. These nine projects will provide a total of 91 new affordable rental units, 43 of these units will be constructed for exclusive rental to low and moderate income seniors.

In addition to these approved projects, there are another five projects, involving 156 rental units, that have loan applications pending. ■

About Redevelopment . . .

Redevelopment Agencies are separate local political bodies that are formed by local governments to upgrade and revitalize specific areas of a community. These separate agencies are given certain powers under California law.

State law enables redevelopment agencies to focus tax moneys that would normally be distributed more broadly (i.e. to various State and local agencies) on specific local problem areas. Thus, redevelopment agencies have been a popular tool for cities who wish to revitalize blighted areas without raising taxes.

Redevelopment in Santa Barbara:

Santa Barbara's Redevelopment Agency was formed in 1968. Its first project was the develop-

ment of affordable housing in a neighborhood to the east of the downtown called Presidio Springs. A total of 230 affordable housing units were developed in this area with the assistance of the Agency. This project has been completed.

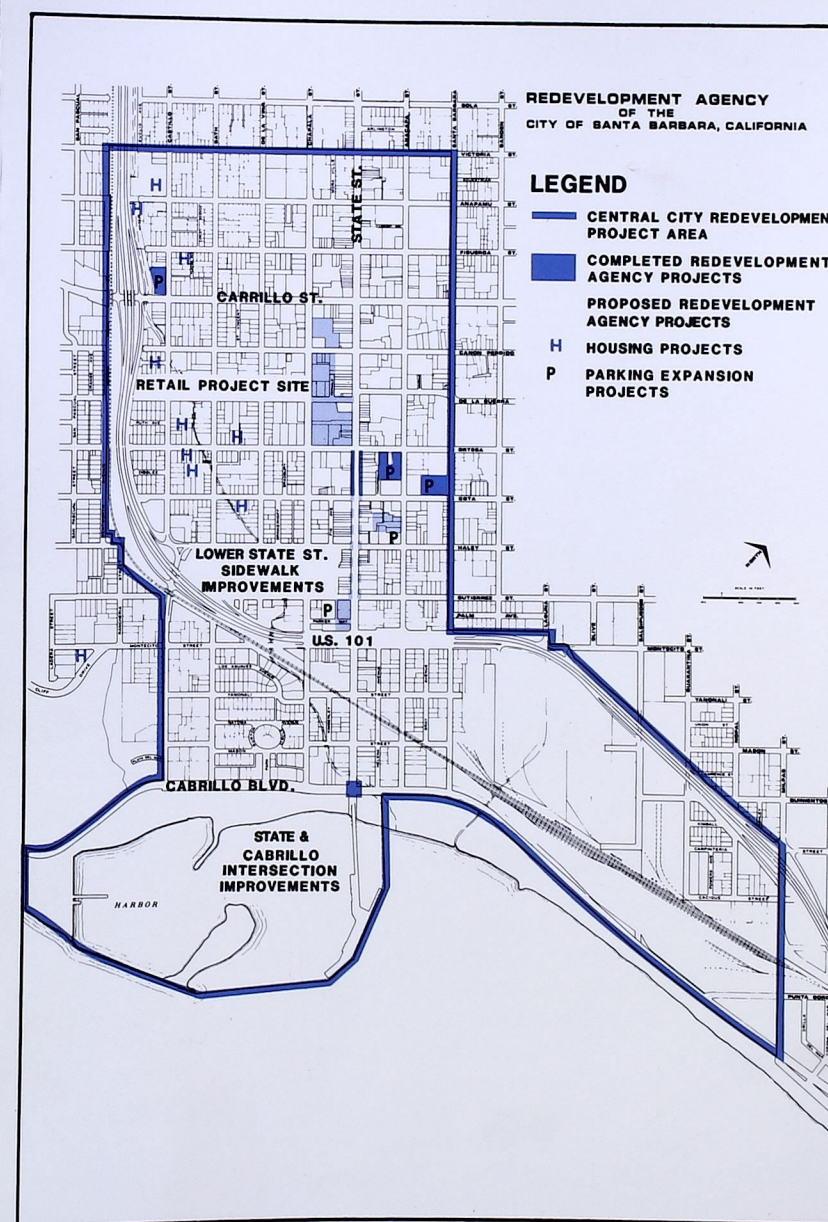
In 1972, the Redevelopment Agency started concentrating on downtown issues. The Central City Redevelopment Project area was formally established in that year. Since that time the Agency has been focusing its efforts on maintaining and enhancing the retail vitality of the downtown, particularly the Lower State Street area. In addition, in recent years the Agency has made a strong commitment to affordable housing and mitigating downtown traffic and parking problems. ■

Santa Barbara Redevelopment Update!

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Agency Meetings:
Open to the public. Agency meetings are held at 2:00 p.m. on the first three Tuesdays of the month in City Council Chambers at City Hall at De la Guerra Plaza.

Santa Barbara Redevelopment Update is published by the City's Redevelopment Agency on a quarterly basis to keep citizens, and downtown property and business owners informed of the Agency's activities. The goal of this publication is to provide a readable summary of important redevelopment activities in order to encourage a dialogue of communication regarding issues before the Agency. Interested parties will be added to the Redevelopment Update mailing list as requested.

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CITY OF SANTA BARBARA

OFFICE OF THE CITY CLERK



CITY HALL
DE LA GUERRA PLAZA
P.O. DRAWER P-P
SANTA BARBARA, CA 93102
TELEPHONE (805) 963-0611 EXT. 276

February 25, 1985

Dear Business Owner:

Attached is a copy of the resolution of intent to establish a parking and business improvement area in the downtown area. This resolution does not make any changes in the boundaries of the present district, but increases the number of kinds of businesses subject to the levy. A full description of the businesses that are subject to those levies is available in the City Clerk's Office. The changes have been requested by the Downtown Organization.

The City Council will hold a hearing to consider the matter of establishing said parking and business improvement area. The hearing will be held Tuesday, March 12, 1985 at 2:00 p.m. in the Council Chamber, City Hall, De la Guerra Plaza, at which time and place all protests will be heard and evidence received for or against the proposed action.

Sincerely,

Lily Rossi

Lily Rossi
Chief Deputy City Clerk

Attachment

RESOLUTION NO. 85-017

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA DECLARING ITS INTENTION TO ESTABLISH A PARKING AND BUSINESS IMPROVEMENT AREA IN THE CITY OF SANTA BARBARA PURSUANT TO THE PARKING AND BUSINESS IMPROVEMENT AREA LAW OF 1979 AND TO SUSPEND COLLECTION OF TAXES IN THE EXISTING DOWNTOWN BUSINESS IMPROVEMENT AREA.

A. WHEREAS, Chapter 4.38 of the Santa Barbara Municipal Code established the existing Downtown Business Improvement Area pursuant to the Parking and Business Improvement Area Law of 1965; and

B. WHEREAS, some businesses in the Downtown Business Improvement Area that benefit from that Area do not presently contribute to that Area; and

C. WHEREAS, the Downtown Organization, Inc., has requested the City to establish a business improvement area that charges more of the businesses in the existing Downtown Business Improvement Area which directly benefit from that Area; and

D. WHEREAS, the Downtown Organization, Inc., is a non-profit organization developed to improve business in the downtown area;

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA AS FOLLOWS:

1. It is the intention of the City Council, pursuant to the Parking and Business Improvement Area Law of 1979 (commencing with Section 36500 of the Streets and Highways Code), to (i) establish a Parking and Business Improvement Area with boundaries identical to those established by Chapter 4.38. (Anacapa, Chapala, Micheltorena and Ortega Streets) and (ii) to impose charges on the businesses fronting on each street within or bounding that area, except for businesses located south of the centerline of Ortega Street.

2. Notice is hereby given that Tuesday, March 12, 1985, at the hour of 2:00 p.m. in the Council Chambers, City Hall, Santa Barbara, California is hereby fixed as the time and place when and where the Council will consider the matter of establishing said Parking and Business Improvement Area.

3. Charges so collected from this Parking and Business Improvement Area shall be used only for promotion of business in said Area by:

- a. Decoration of any public place in the Area;
- b. Promotion of public events which are to take place in or on public places in the Area;
- c. Furnishing of music in any public place in the Area; or
- d. The general promotion of retail trade activities in the Area.

4. Subject to Section 6 of this resolution, businesses located within said Area shall be subject to the following charges:

- a. Every business, profession or occupation

enumerated under Section 5.04.420 of the Santa Barbara Municipal Code shall pay a charge equal to the greater of \$50.00 or 15% of the business tax imposed by Section 5.04.420 of the Santa Barbara Municipal Code for the preceding year.

b. Except as otherwise provided herein, every business located within said Area shall pay a charge equal to 100% of the business tax imposed by Chapter 5.04 of the Santa Barbara Municipal Code for the preceding year.

c. Subject to subsections a. and b. above, when more than one (1) type of business is conducted at the same address, the owner shall pay a charge equal to the business tax imposed for the preceding year by Section 5.04.390 of the Santa Barbara Municipal Code, or, if no such business tax is imposed, a charge equal to the highest business tax imposed for the preceding year by Chapter 5.04 of the Santa Barbara Municipal Code on a business conducted at the address.

d. Subject to subsections a. and b. above, when multiple business taxes are imposed by Chapter 5.04 of the Santa Barbara Municipal Code on businesses operated by one (1) owner at different addresses, the owner shall pay a charge equal to the business tax imposed for the preceding year by Section 5.04.390 at each address, or, if no such tax is imposed, a charge equal to the highest tax imposed for the preceding year by Chapter 5.04 at each address.

e. Chapter 5.04 of the Santa Barbara Municipal Code is incorporated into this resolution by reference. Copies of Chapter 5.04 of the Santa Barbara Municipal Code may be obtained, at no charge, from the City Clerk's Office at City Hall, De La Guerra Plaza.

5. For each business established after the effective date of the ordinance creating the Parking and Business Improvement Area, the charge for the remainder of the calendar year shall be the amount set forth in Section 4 of this resolution, divided by 12 and multiplied by the number of months remaining in said calendar year. For purposes of this Section, (i) a month is considered "remaining" if the business is established on or before the fifteenth day of that month; and (ii) a business is "established" on the date of issuance of the City business license or the date business commences, whichever occurs first.

6. Obligations for charges for the Parking and Business Improvement Area for the 1985 calendar year shall be determined as follows:

a. A business that is required to pay the business improvement area tax pursuant to Chapter 4.38 of the Santa Barbara Municipal Code will be exempted from payment of the charge for the 1985 calendar year. However, a business that has not paid all taxes required by Chapter 4.38 and all applicable penalties shall continue to be obligated to do so.

b. A business that (i) is established (within the meaning of Section 5) prior to the date that the ordinance creating the Parking and Business Improvement Area is effective and (ii) is not required to pay the business improvement area tax pursuant to Chapter 4.38 of the Santa Barbara Municipal Code, shall pay charges set forth in Section 4 of

this resolution, subject to a reduction for the portion of the calendar year that has elapsed. The charge for the remaining portion of the calendar year shall be the amount set forth in Section 4 of this resolution, divided by 12 and multiplied by the number of months remaining in the calendar year. If the ordinance establishing the Parking and Business Improvement Area is effective on or before the fifteenth day of a month, that month shall be counted as a month remaining in the year. If said ordinance becomes effective after the fifteenth of a month, that month shall not be counted as a month remaining in the year.

c. A business established (within the meaning of Section 5) after the effective date of the ordinance creating the Parking and Business Improvement Area shall pay the charges set forth in Sections 4 and 5 of this resolution.

7. Except for collection of delinquent taxes under Chapter 4.38 of the Santa Barbara Municipal Code, collection of taxes under Chapter 4.38 of the Santa Barbara Municipal Code shall be suspended after the ordinance creating the Parking and Business Improvement Area described in this resolution is effective and for as long as charges can lawfully be collected in the Parking and Business Improvement Area. If the collection of such charges is enjoined or determined to be invalid by any court of competent jurisdiction, said suspension of taxes collected under Chapter 4.38 shall automatically terminate.

Adopted February 5, 1985